TRANSCRIPT OF PROCEEDINGS

BEFORE THE FEDERAL COMMUNICATIONS COMMISSION WASHINGTON, D.C. 20554

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In the Matter of:

Herring Broadcasting, Inc Wealth TV

Time Warner Cable, Inc et al

MB Docket No. 08-214

ORIGINAL

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BEFORE THE FEDERAL COMMUNICATIONS COMMISSION WASHINGTON, D.C. 20554

PRE-HEARING CONFERENCE

In the Matter of:

HERRING BROADCASTING, INC. MB Docket No.

WEALTH TV,

 $08-214 \, d/b/a$

Complainant,

v.

File No.

CSR-7709-P

TIME WARNER

CABLE, INC.,

Defendant;

HERRING BROADCASTING, INC. File No.

d/b/a WEALTH TV,

CSR-7822-P

Complainant,

v.

BRIGHT HOUSE NETWORKS, LLC,

Defendant;

HERRING BROADCASTING, INC. File No.

d/b/a WEALTH TV,

CSR-7829-P

Complainant,

v.

COX COMMUNICATIONS, INC.

Defendant;

HERRING BROADCASTING, INC. File No.

d/b/a WEALTH TV,

CSR-7907-P

Complainant,

v.

COMCAST CORPORATION,

Defendant;

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS 1323 RHODE ISLAND AVE., N.W. WASHINGTON, D.C. 20005-3701

NFL ENTERPRISES, LLC, File No. CSR-7876-P

v.

COMCAST CABLE COMMUNICATIONS, LLC, Defendant;

TCR SPORTS BROADCASTING HOLDING, LLP, d/b/a MID- File No. ATLANTIC SPORTS NETWORK CSR-8001-P Complainant,

v.

COMCAST CORPORATION, Defendant.

> Monday October 27, 2008

9:30 a.m.

TW A-363 445 Twelfth Street, S.W. Washington, D.C.

BEFORE:

ARTHUR I. STEINBERG, Administrative Law Judge

NEAL R. GROSS

APPEARANCES:

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On Behalf of the Enforcement Bureau:

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ALSO PRESENT:

ANASTASIA DANIAS, NFL Enterprises
GARY GERTZOG, NFL Enterprises
SARAH L. GITCHELL, Esq., Comcast Cable
MICHAEL H. HAMMER, Esq. Willkie Farr &
Gallagher, for Comcast Corporation
J. WADE LINDSAY, Esq. Wilkinson Barker
Knauer, for Comcast Corporation
LEAH POGOIILEV, Covington & Burling, for
NFL Enterprises
ROBERT SHOOMAN, Covington & Burling, for
NFL Enterprises
JEFF ZIMMERMAN, Time Warner

<u>PROCEEDINGS</u>

9:33 A.M.

JUDGE STEINBERG: This is a prehearing conference in MB Docket No. 08-214. My memorandum of opinion and order and hearing designation order, VA 08-2269 released October 10, 2008 and in an erratum thereto released October 15, 2008, the Chief Media Bureau consolidated six separate program carriage complaints against multi-channel video program distributors and designated them for hearing.

One issue common in all six cases seeks to determine whether the Defendant has discriminated against the Complainant's programming in favor of its own programming with the effect of unreasonably restraining the Complaint's ability to compete fairly in violation of the Commission's rules.

Another issue relating to only one complaint seeks to determine whether the Defendant demanded a financial interest in the Complainant's programming in exchange for

carriage in violation of the Commission's rules.

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Ιf it is found that these violations occurred, an appropriate remedy is By order FCC 08-M-43, to be recommended. 22, 2008, the Chief released October Administrative Law Judge assigned this case to me and scheduled a pre-hearing conference for this morning.

In addition, I issued an order, FCC-0-M-44 released October 23, 2008 in which I placed the burden of proceeding with the introduction of evidence and the burden of proof on all issues on the Complainants, established a procedural schedule and ruled that under the time constraints imposed in the hearing designation order, discovery would not be practicable and will not therefore be permitted.

Before I formally take appearances, I'd like to disclose to the parties that I receive cable service at my

	nome from comcast. If anybody objects to me
2	presiding on that basis or any other basis,
3	you can speak up now. I don't think my
4	getting my home cable from Comcast is going to
5	affect anything undue in this case.
6	And FiOS isn't available in my area, so I
7	can't switch for the duration of this case.
8	So that was a joke. You can all laugh.
9	(Laughter.)
10	Okay, that cut the ice, I think.
11	Hearing no objection, I'll guess
12	we'll continue.
13	Now let me take, formally take the
14	appearances of counsel. For Herring
15	Broadcasting, Inc., d/b/a as Wealth TV?
16	MS. WALLMAN: Kathleen Wallman.
17	JUDGE STEINBERG: How about
18	Geoffrey Klineberg. He entered an appearance?
19	MR. KLINEBERG: Your Honor, I'm
20	Geoffrey Klineberg and I'm also here on behalf
21	of Herring
22	JUDGE STEINBERG: Okay, before we

1	finish today, could you just jot down your
2	email address and your phone number and I can
3	add you to my email distribution list in case
4	I issue an order or something?
5	MR. KLINEBERG: Absolutely.
6	JUDGE STEINBERG: Okay. How about
7	Time Warner Cable, Incorporated?
8	MR. HARDING: Arthur Harding,
9	Fleischman and Harding.
10	JUDGE STEINBERG: And Jay Cohen?
11	MR. COHEN: Jay Cohen from Paul,
12	Weiss.
13	JUDGE STEINBERG: Okay, I'm not
14	going to ask Wealth TV I mean do you
15	represent Wealth at all, for the cases?
16	MS. WALLMAN: That's correct, Your
17	Honor.
18	JUDGE STEINBERG: Okay, Bright
19	House Networks?
20	MR. BECKNER: Bruce Beckner,
21	Fleischman and Harding.
22	JUDGE STEINBERG: How about Mr.

1	Steinhauser?
2	MR. BECKNER: He's not here today.
3	JUDGE STEINBERG: But he is
4	MR. BECKNER: He's counsel of
5	record. He's a resident of New York City.
6	JUDGE STEINBERG: Okay. Cox
7	Communications.
8	MR. MILLS: David Mills from
9	DowLohnes. And also Chris Redding.
10	JUDGE STEINBERG: Comcast?
11	MR. SOLOMON: David Solomon from
12	Wilkinson, Barker Knauer.
13	JUDGE STEINBERG: And also how
14	about Mr. Casserly?
15	MR. CASSERLY: Here, Your Honor.
16	JUDGE STEINBERG: And you're
17	MR. TOLLIN: I'm also Andy Tollin.
18	Wilkinson Barker Knauer.
19	JUDGE STEINBERG: And it's Comcast
20	you represent Comcast Corporation and
21	Comcast Cable Communications.
22	NFL Enterprises?

1	MR. BLAKE: John Blake and Gregg
2	Levy.
3	JUDGE STEINBERG: Okay, and TCR
4	Sports?
5	MR. FREDERICK: David Frederick
6	and Kelly Dunbar.
7	JUDGE STEINBERG: And for the
8	Chief Enforcement Bureau?
9	MR. SCHONMAN: Good morning, Your
10	Honor. Seating to my left is Kris Anne
11	Monteith, Chief Enforcement Bureau. My name
12	is Gary Schonman. I'm appearing on behalf of
13	the Enforcement Bureau and my co-counsel is
14	Elizabeth Mumaw.
15	JUDGE STEINBERG: Could you spell
16	that for me?
17	MR. SCHONMAN: M-U-M-A-W.
18	JUDGE STEINBERG: Thank you.
19	Okay, the first thing that I want to do is try
20	to go through what I have pending before me at
21	the present time.
22	I made a list of these things and

1	if please stop me or correct me if I'm
2	incorrect and I'll do it case by case. And at
3	the end of each case you can tell me if
4	there's anything else that I should know
5	about.
6	In the Wealth TV versus Time
7	Warner, we've got a motion for modification
8	and clarification or in the alternative for
9	certification of questions and that was dated
10	October 20th. And then there was a revised
11	page one that was submitted.
12	Okay. I don't have any stamped
13	copy, Secretary stamped copy of these things.
14	Could you just email me or fax me just the
15	cover page showing the Secretary's stamps so
16	that I know it's been filed. Otherwise I
17	won't know it's filed.
18	MR. HARDING: Your Honor, will a
19	certification that it's been filed
20	electronically in the docket
21	JUDGE STEINBERG: Oh, yes, you get
22	that little back page, right?

1	MR. HARDING: AND do we have
2	discretion to do either or both?
3	JUDGE STEINBERG: Yes, Is there
4	any reason why you can't electronically file?
5	I don't know of any. Do you know
6	of any, Mr. Schonberg, why pleadings can't be
7	electronically filed?
8	And then they get the little
9	receipt that's usually stuck to the back of
10	the pleading?
11	MR. SCHONMAN: Your Honor,
12	personally, I don't know of any reason why
13	they can't other than from my experience an
14	electronic filing has been used in rulemaking
15	proceedings. Of course, this is not that type
16	of case.
17	JUDGE STEINBERG: I've had a
18	couple of cases, the Wall case, they've been
19	electronically filing routinely and nobody has
20	ever raised it.
21	I don't have any problem with it,
22	as long as it gets here in some fashion.

1	Okay, this was served by mail and
2	so far I've not received a response to it. By
3	my calculation the response will be due this
4	Thursday, the 30th. And a reply is permitted.
5	This is on a 1.294, the Commission's rules.
6	Is Time Warner going to respond to it?
7	MR. HARDING: The filing?
8	JUDGE STEINBERG: Pardon me, my
9	apologies. Is Wealth TV going to respond to
10	it?
11	MS. WALLMAN: Yes, Your Honor, we
12	will.
13	JUDGE STEINBERG: Okay, but it's
14	due on the 30th. If you want to make we'll
15	talk about that later. And then reply is
16	permitted.
17	Okay, now we go to the second
18	case, Wealth TV versus Bright House. In a
19	letter filed October 20th from Arthur J.
20	
	Steinhauser, counsel for Bright House, and
21	Steinhauser, counsel for Bright House, and it's entitled Request for Modification and

1	put "of HDO or in the Alternative for
2	Certification of Application for Review." The
3	letter, as I said, it's filed October 20th.
4	It's dated October 20th. And then there was
5	a letter filed October 21st from Mark Denbo
6	which was an erratum to request for
7	modification and clarification of HDO or in
8	the alternative for certification of
9	application for review.
10	Did Ms. Wallman, did you
11	receive that?
12	MS. WALLMAN: Yes, I did, Your
13	Honor.
14	JUDGE STEINBERG: Okay, so there's
15	no problem with service?
16	MS. WALLMAN: No, Your Honor.
17	JUDGE STEINBERG: Okay. This is a
18	letter pleading and the Commission's rule
19	don't count this letter of pleadings. And in
20	the routine case, I would have already issued
21	an order dismissing both the letter and the
22	erratum because they're letter pleadings.

T	However, in this particular case,
2	it doesn't make much sense to do that because
3	then all the party would do, all Bright House
4	would do would be to stick a caption on it and
5	refile it. So in order to save time, I'll
6	rule now that I'll accept the two letter
7	pleadings and but I won't in the future.
8	If you have a pleading file, stick a caption
9	on it and file it and attach a certificate of
10	service and etcetera.
11	MS. WALLMAN: Pardon me, Your
12	Honor.
13	JUDGE STEINBERG: Yes.
14	MS. WALLMAN: If I may, it may be
15	that if refiled, those pleadings would be out
16	of time.
17	JUDGE STEINBERG: Then I'll waive
18	the time limit. I mean let's get this stuff
19	out of the way before we proceed to serious
20	stuff.
21	I don't mean to say serious stuff
22	lightly.

1	By my calculation a response to
2	that would be due on the October 30th or on
3	Tuesday, November 4th, depending on the method
4	of service. How did you receive it, by email
5	or by mail?
6	MS. WALLMAN: I received it in
7	both methods.
8	JUDGE STEINBERG: Both, okay, so
9	it's a 10-day and so the due date would be
10	October 30th, same as the other one. And you
11	intend to respond to it?
12	MS. WALLMAN: Yes, Your Honor.
12 13	MS. WALLMAN: Yes, Your Honor. JUDGE STEINBERG: Okay. On that
13	JUDGE STEINBERG: Okay. On that
13 14	JUDGE STEINBERG: Okay. On that one, a reply is permitted.
13 14 15	JUDGE STEINBERG: Okay. On that one, a reply is permitted. MR. BECKNER: Thank you, Your
13 14 15 16	JUDGE STEINBERG: Okay. On that one, a reply is permitted. MR. BECKNER: Thank you, Your Honor.
13 14 15 16 17	JUDGE STEINBERG: Okay. On that one, a reply is permitted. MR. BECKNER: Thank you, Your Honor. JUDGE STEINBERG: I think you've
13 14 15 16 17 18	JUDGE STEINBERG: Okay. On that one, a reply is permitted. MR. BECKNER: Thank you, Your Honor. JUDGE STEINBERG: I think you've got five days for the reply.
13 14 15 16 17 18 19	JUDGE STEINBERG: Okay. On that one, a reply is permitted. MR. BECKNER: Thank you, Your Honor. JUDGE STEINBERG: I think you've got five days for the reply. Next one is Wealth TV versus Cox.

1	one is dated October 20, '08, filed by Cox.
2	I don't have a stamped copy of
3	that one or if you just get me the cover
4	page or the receipt page and then I'll know
5	it's filed.
6	That one was served by mail, so
7	the due date would be November 4th, unless you
8	consent to consolidate on the 30th, Ms.
9	Wallman, or do you want to wait until the 4th,
10	that's fine. You're certainly within your
11	rights.
12	MS. WALLMAN: Your Honor, thank
13	you. I think we can file responses to all of
14	them on Thursday.
15	JUDGE STEINBERG: Okay, so we'll
16	make it due on the 30th. And a reply is
16 17	make it due on the 30th. And a reply is permitted to that one.
17	permitted to that one.
17 18	permitted to that one. The next one we have is a request,
17 18 19	permitted to that one. The next one we have is a request, actually why don't I just get all three of

1	October 21st. You don't want to know why, but
2	they were dated October 20th and they have a
3	Bureau Office stamp of the 20th, but they have
4	the Secretary's stamp of the 21st so
5	technically they're filed on the 21st, but it
6	doesn't really matter.
7	So there's one filed against
8	Wealth TV. One filed against NFL Enterprises.
9	One filed against TCR Sports. And they were
10	all the same date. I think all the same
11	title.
12	They were all served by hand and
13	email so that's a four-day response time. And
14	the due date on that is today. Let's start
15	with Wealth. Do you intend to file?
16	MS. WALLMAN: Yes, Your Honor.
17	JUDGE STEINBERG: And how about
18	let me see NFL?
19	MR. BLAKE: We intend to respond
20	today as well.
21	JUDGE STEINBERG: And TCR?
22	MR. FREDERICK: The same, sir.

1	JUDGE STEINBERG: Okay, and we've
2	all got the same due date? Okay, and then
3	that's an interlocutory pleading because it
4	doesn't ask for modification in the issue, so
5	it goes into the four-day category. And
6	there's no reply permitted on those.
7	Then there was a letter to Judge
8	Sippel filed on October 22nd from Mr. Blake.
9	This is the NFL v. Comcast case and I have to
10	ask a rhetorical question. This wasn't meant
11	to be a response to the Comcast pleading, was
12	it?
13	MR. BLAKE: That's right. It was
14	not intended.
15	JUDGE STEINBERG: Okay, so you
16	respond separately to that.
17	And finally, we've got a motion to
18	strike filed on October 10, 08 by Comcast in
19	7907. Which one is 7907? That's the Wealth
20	TV.
21	And it was directed to the Chief
22	of the Media Bureau and then there was a

1	response to the motion to strike dated the
2	24th of October by Wealth TV that was directed
3	to me. So we've got something directed to the
4	Bureau. Something directed to me.
5	I think I'll let the Bureau handle
6	this one, although what Ms. Wallman does, the
7	two paragraphs that you objected to in the
8	motion to strike, she just withdrew them.
9	MR. SOLOMON: That's fine.
10	JUDGE STEINBERG: Okay, so you
11	want to withdraw your motion to strike?
12	MR. SOLOMON: Yes.
13	JUDGE STEINBERG: Yes, sure.
14	Okay, so I'll issue, I might issue a ruling
15	saying since it's been withdrawn, the two
16	pleadings are dismissed is moot. Okay, that's
17	taken care of.
18	MR. SOLOMON: Your Honor, can I
19	ask you one question about the schedule that
	dbh you one question asout one something
20	you went through?
20	

1	request in the alternative clarification, it
2	wasn't in the title, but in the text, so since
3	everyone else is getting a reply, can we get
4	a reply as well?
5	JUDGE STEINBERG: Let me read the
6	do you have any objection to that? We'll
7	extend the deadline to the 30th to make them
8	all uniform.
9	MS. WALLMAN: In that event, we
10	have no objection to a reply.
11	JUDGE STEINBERG: Mr. Blake?
12	MR. BLAKE: Well, I'm having a
13	little trouble visualizing how that would
14	work, actually.
15	JUDGE STEINBERG: Oh, essentially
16	your response would be due the 30th instead of
17	today and Comcast would have five days, five
18	business days to reply. And if you serve them
19	by email, I don't give extra time for mailing.
20	MR. BLAKE: What I was trying to
21	understand was whether there is this discrete

1	clarification and the rest of the pleading is
2	subject to certification or whether it's the
3	whole pleading and it's in the alternative.
4	JUDGE STEINBERG: You can respond
5	to everything on the 30th. Whatever is in
6	there.
7	MR. FREDERICK: Your Honor, I
8	think the point is that the certification is
9	really framed to certification. It's not
10	framed as clarification.
11	JUDGE STEINBERG: Okay. Show me
12	in the pleading where it will save me a lot
13	of reading.
14	MR. SOLOMON: Page two in the
15	summary, it says Comcast believes that the ALJ
16	has authority to rectify some of these
17	problems on its motion to amend the hearing.
18	To the extent that the ALJ deems its
19	discretion to correct these areas is
20	constraining, the matters should be certified
21	to the Commission.
22	JUDGE STEINBERG: Where does it

point out that there's an error in the framing 1 2 of the issues or request for modification and 3 clarification of the issues? 4 MR. SOLOMON: The issues. second section is entitled -- or first section 5 6 is entitled on all, the HDO failed to provide 7 sufficient guidance because it appears to misconstrue the applicable legal standards. 8 9 It's saying that we think that you have discretion to clarify it, but that if you 10 certified 11 don't, it should be 12 Commission. 13 the end ο£ that Ιt savs at would welcome 14 section, while Comcast 15 action by the presiding Judge or Chief ALJ 16 because it hadn't been assigned to a presiding 17 Judge yet, to clarify these matters to the extent the ALJ believes it lacks authority to 18 do so, certification is requested as set forth 19 20 above. 21 MR. BLAKE: Your Honor, I guess what our view would be is that we will proceed 22